

SENATE RECORD VOTE ANALYSIS

104th Congress
2nd Session

Vote No. 184

July 9, 1996, 2:42 p.m.
Page S-7468 Temp. Record

SMALL BUSINESS-MINIMUM WAGE/Kennedy Alternative

SUBJECT: Small Business Job Protection Act . . . H.R. 3448. Kennedy amendment No. 4435.

ACTION: AMENDMENT REJECTED, 46-52

SYNOPSIS: As reported, H.R. 3448, the Small Business Job Protection Act of 1996, will enact numerous tax reforms for small businesses, will extend expiring tax credits, will reform and simplify pension laws, and will increase the minimum wage to \$4.70/hour on July 5, 1996, and to \$5.15/hour on July 5, 1997. The cost of the tax changes will be offset, primarily by phasing out the section 936 tax credit for conducting business in Puerto Rico.

The Kennedy amendment would amend the section on increasing the minimum wage. It would increase the wage to \$4.70/hour effective July 5, 1996, and to \$5.15/hour effective July 5, 1997. Employers would have the option of offering an entry-level "opportunity wage" of \$4.25/hour for the first 30 days of employment for workers age 19 and under (the bill will give the option of paying an opportunity wage of \$4.25/hour for the first 90 days of employment for any employee age 19 or under). The amendment would not change the tip credit. Under the current tip credit, employees who receive tips must receive at least 50 percent of the minimum wage plus tips.

NOTE: The Bond amendment was debated concurrently with a Kennedy amendment. See vote No. 184.

Those favoring the amendment contended:

The Kennedy amendment would enact a fair minimum wage increase. Like the underlying bill, it would make the increase now, and it would not give any special break to small businesses to exploit their workers. It would then eliminate the underlying bill's language on the tip credit. That language will prevent tipped employees from benefitting from this increase. Instead, the Kennedy amendment would keep the current law intact, which is that tipped employees must be paid at least half of the minimum wage. People who receive tips, such as waitresses, are not rich people—they should not be denied the benefits of an increase in the minimum wage. The Kennedy amendment would also amend the section on the opportunity wage to allow it only for teenagers for 30 days or less.

(See other side)

YEAS (46)			NAYS (52)			NOT VOTING (2)	
Republicans (2 or 4%)	Democrats (44 or 94%)		Republicans (49 or 96%)	Democrats (3 or 6%)		Republicans (2)	Democrats (0)
Campbell	Akaka	Inouye	Abraham	Inhofe	Graham	Cochran- ²	
D'Amato	Baucus	Kennedy	Ashcroft	Jeffords	Johnston	Cohen- ^{2AN}	
	Biden	Kerrey	Bennett	Kassebaum	Nunn		
	Bingaman	Kerry	Bond	Kempthorne			
	Boxer	Kohl	Brown	Kyl			
	Bradley	Lautenberg	Burns	Lott			
	Breaux	Leahy	Chafee	Lugar			
	Bryan	Levin	Coats	Mack			
	Bumpers	Lieberman	Coverdell	McCain			
	Byrd	Mikulski	Craig	McConnell			
	Conrad	Moseley-Braun	DeWine	Murkowski			
	Daschle	Moynihan	Domenici	Nickles			
	Dodd	Murray	Faircloth	Pressler			
	Dorgan	Pell	Frahm	Roth			
	Exon	Pryor	Frist	Santorum			
	Feingold	Reid	Gorton	Shelby			
	Feinstein	Robb	Gramm	Simpson			
	Ford	Rockefeller	Grams	Smith			
	Glenn	Sarbanes	Grassley	Snowe			
	Harkin	Simon	Gregg	Specter			
	Heflin	Wellstone	Hatch	Stevens			
	Hollings	Wyden	Hatfield	Thomas			
			Helms	Thompson			
			Hutchison	Thurmond			
				Warner			

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

The underlying bill will allow teenagers to be paid a subminimum wage for 90 days. We think that length of time is too long. Employers could just hire and fire teenagers every 3 months to avoid ever giving them a fair wage. The Kennedy amendment would give teenagers their due. The underlying bill is not bad, but the Kennedy amendment would make it much better. We therefore urge its adoption.

Those opposing the amendment contended:

The Kennedy amendment is extreme. It would take the opportunity wage for teenagers in this bill, which is already weak, and would make it weaker by only allowing it to be offered for 30 days. It would also strike the provision on the tip credit without any recognition of the fact that most people who receive tips make well above the minimum wage. For instance, waiters earn an average of \$7 to \$8 per hour. The provision in the Kennedy amendment is effectively a requirement to order companies that have employees making well above the minimum wage to give them another raise. The changes that would be made by the Kennedy amendment are unacceptable; this amendment should be rejected.